

New Guidance Ignores Law, Moves Goal Posts in Attempt to Disguise Failure of Stimulus

WASHINGTON D.C. – In a letter to Recovery Act Transparency and Accountability Board Chairman Earl Devaney, Rep. Darrell Issa, the Ranking Member of the Oversight and Government Reform Committee, asked if Recovery.gov will continue to use the “Jobs Created/Saved” label, in light of the Administration's recent decision to count all jobs that simply receive stimulus funds, abandoning previous rules stipulating that only positions that would not have existed but for the stimulus should be counted.

“Rather than address fundamental problems with a so-called stimulus that has failed to keep unemployment under 10 percent, the Obama Administration has opted to move the goal posts closer by revising its definition of success on jobs,” said Rep. Issa. “Instead of correcting false job claims, the Administration appears to be revising its criteria to embrace and tout claims about jobs it knows it didn’t create or save. Their new definition is, ‘if we spend taxpayer money, we’re successful.’ The White House, however, will be disappointed if it intends to use misleading accounting schemes to convince the American people that the stimulus is working when Americans clearly know better.”

[The White House's new guidance for reporting by stimulus recipients, issued December 18, 2009](#) , “defines jobs created or retained as those funded in the quarter by the Recovery Act” and directs stimulus recipients to count every job that is funded using stimulus money – regardless of whether or not it existed before the Recovery Act or was ever in any danger of being eliminated – as “created or saved.”

This definition ignores the plain meanings of the words “created” and “saved” but positions the Administration to artificially exaggerate the impact of the stimulus – even when funds are used to award bonuses or raises to stimulus recipients instead of actually creating or saving jobs. The Administration’s previous guidance on stimulus job reporting, which was discarded by the new revision, defined a job “created” as “a new position created and filled or an existing unfilled position that is filled *as a result of the Recovery Act*.” Similarly, the previous guidance instructed recipients to count a job as “saved” only if it “would not have been continued to be filled *were it not for Recovery Act funding*.”

Issa’s letter also pointed out that the White House’s new definition ignores the requirements of the stimulus law: “The Recovery Act requires recipients to estimate ‘the number of jobs created and the number of jobs retained’ by each project or activity funded by the Act. The new guidance, because it requires recipients to count jobs toward the number that were neither created nor retained, is inconsistent with the Recovery Act.”

[Click here to read Rep. Issa’s January 8, 2010, letter to Chairman Earl Devaney.](#)

Rep. Issa [has previously asked](#) that Recovery.gov, following the discovery of wildly inflated job claims, include a disclaimer noting that reported job numbers may not be accurate. He and Republican Leader John Boehner [also requested that the Administration drop unsuccessful efforts to track stimulus jobs](#) and instead focus on lowering 10% unemployment.

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